
From: McLellan, Ross [/O=STATE STREET/OU=MFBOSTON/CN=INVESTMENTMANAGEMENT/CN=TRADER
USERS/CN=RMCLELLAN]
Sent: Wednesday, November 03, 2010 10:42:32 AM
To: Hansen, Mark R
Subject: Fw: NOTICE

Regards,

Ross McLellan, CFA
Senior Managing Director
State Street Global Markets
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State Street Financial Center
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From: Pennings, Edward
To: Woodard, R. Bryan; McLellan, Ross
Cc: Carlin, Chris; Paul, Simone; Beck, Krystyna; Bryant, Tom
Sent: Wed Nov 03 05:49:13 2010
Subject: RE: NOTICE

All,

We discussed this issue here this morning and the conclusion was that we are OK to have Rates quote prices as one of the potential liquidity providers but it will have to be on a competitive (blind) basis. Our trading desk has to ensure best execution and has the final say as to whom they trade with. The contract states the following:

The Manager may deal on the Customer's behalf with any of the Manager's Affiliates as long as the term are as favourable to the Customer as would be obtained from a non-affiliated broker or dealer.

Under no circumstance should we give Rates preferential treatment. If we are set up operationally to trade with Rates and they provide us with the best quote then we can deal with them, but if not then we will deal with whoever provides the best price as per our usual competitive bid process.

Regards,
Ed

From: Woodard, R. Bryan
Sent: 02 November 2010 23:24

To: McLellan, Ross
Cc: Pennings, Edward; Carlin, Chris
Subject: RE: NOTICE

Krystyna

Can you look at this in the morning and discuss with Ed. I'll send some thoughts later tonight.

From: McLellan, Ross
Sent: Tuesday, November 02, 2010 7:22 PM
To: Woodard, R. Bryan
Cc: Pennings, Edward; Carlin, Chris
Subject: NOTICE

Bryan - Here is the notice they have sent. We have not signed yet although they are not a huge fan of negotiations.

Regards,

Ross McLellan, CFA
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